CIRCULATION COPY 2


# COMMANDERS DIGEST

DEPARTMENT OF DEFENSE • WASHINGTON, D.C.

Vol. 5, No. 19 February 8, 1969


## Prayer Breakfast Wins Praise of President Nixon

During his first days in office, President Richard M. Nixon detected a common theme running through his mail; he also noted a common theme in all previous Presidential inaugural addresses.

The theme in the President's mail said in a very simple way: "We are praying for you, Mr. President. We are praying for the leadership that this nation may be able to provide for this world."

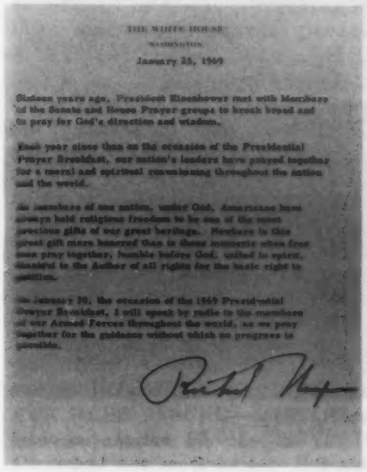
And in all previous inaugural addresses each new President, in his own way, recognized the spiritual heritage of this nation and asked for the blessing of God on this country—in not only its affairs at home, but its affairs abroad.

President Nixon revealed these facts in remarks before dignitaries gathered for the 17th Annual Presidential Prayer Breakfast Jan. 30.

"I say to all of you joining us here today in this Presidential Prayer Breakfast," he said, "that in the many events that I will participate in, none will mean more to me, personally, none, I think, will mean more to the members of the Cabinet and to Congress than this occasion."

The event was broadcast live for the first time this year over the world-wide facilities of the Armed Forces Radio Service. In addition, the occasion was carried live in the United States to 60 military installations in 24 states by special audio circuits.

The Presidential Prayer Breakfast is sponsored by the United States Senate and House Prayer Groups. The purpose of the occasion, begun in 1952, is to bring together the leadership of the United States in recognition of the moral and spiritual values upon which the nation is founded.



THE WHITE HOUSE
WASHINGTON
January 25, 1969

Sixteen years ago, President Eisenhower met with Members of the Senate and House Prayer groups to break bread and to pray for God's direction and wisdom.

Each year since then on the occasion of the Presidential Prayer Breakfast, our nation's leaders have prayed together for a moral and spiritual consensus throughout the nation and the world.

As members of one nation, under God, Americans have always held religious freedom to be one of the most precious gifts of our great heritage. Nowhere is this great gift more honored than in those moments when free men pray together, humble before God, united in spirit, attuned to the Author of all rights for the basic right to petition.

On January 30, the occasion of the 1969 Presidential Prayer Breakfast, I will speak by radio to the members of our Armed Forces throughout the world, as we pray together for the guidance without which no progress is possible.

Richard Nixon

Prayer Breakfast Statement Signed By The President

Each year, soon after Congress convenes, men in leadership positions from various aspects of our national life meet for discussion and prayer on the occasion of the Presidential Prayer Breakfast.

The event normally is attended by the President, the Vice President, the Cabinet, members of the United States Senate and House of Representatives, the Supreme Court, Government officials and other leaders from across the United States.

In his remarks before the dignitaries, President Nixon said, "You have inspired us. You have given us

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## Adm. Moorer Asks Americans to Be Patient on Pueblo

Adm. Thomas H. Moorer, chief of naval operations, has asked the American people to be patient, not to prejudge, and to have full trust and confidence that the procedures used in developing the facts surrounding the piracy act against the USS Pueblo are being carried out by experienced men of integrity who have only the welfare of the United States at heart.

In an addendum to a speech delivered before the American Bar Foundation in Chicago Jan. 25, Adm. Moorer said he was prepared to put the nature of the inquiry in proper perspective and, "hopefully, reassure the American people that the court of inquiry is being conducted in a straight-forward, legal and objective manner."

First, he asked, "What is a court of inquiry?" He answered his own question by saying, "It is a fact finding body—that and nothing more. It is not a court-martial. Witnesses at a court of inquiry are not on trial. A court of inquiry cannot even prefer charges. It simply records the facts and makes recommendations to the convening authority—in this case the commander-in-chief of the Pacific Fleet. These recommendations may cover such things as operational procedures, material improvements, communications, training of personnel, international law—and many other subjects—and, if warranted, the recommendation for further legal proceedings."

As to why the Navy was conducting a court of inquiry, Adm. Moorer said, "A ship has been lost. We always

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# Adm. Moorer Asks for Patience on Pueblo

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have a court of inquiry when this happens—whatever the cause."

The CNO said particular emphasis is being placed on protecting the rights of the individuals, and on lessons learned. These lessons will be of great assistance in the future, he said.

Concerning the trial of Cmdr. Lloyd M. Bucher, skipper of the Pueblo, Adm. Moorer said that "when the inquiry opened its initial session, the first witness was Commander Bucher. He was given the legally required advice concerning his rights as a party to the inquiry. Counsel for the court made it clear that Commander Bucher was not at that time suspected of having committed any offense under the Uniform Code of Military Justice."

Later, the admiral said, when Commander Bucher, in his testimony indicated that the North Koreans had boarded his ship, the counsel for the court—as required by the law—told Commander Bucher it was possible that he had violated U.S. Navy regulations, Article 0730, which reads: "The commanding officer shall not permit his command to be searched by any person representing a foreign state nor permit any of the personnel under his command to be removed from the command by such persons, so long as he has the power to resist."

He (the counsel), Adm. Moorer continued, explained to Commander Bucher his right to testify no further and gave him the routine, required warning that, if he did so, the information could later be used against him.

Adm. Moorer said he would like to emphasize three points:

1. Such a warning was not unexpected by Commander Bucher or his counsel —here are the words of Cmdr. Bucher's counsel addressed to the Counsel for the court: "We have discussed this matter with Commander Bucher in some detail. As you know, we had some preliminary conversations with you before this court of inquiry convened as to the procedures that would be followed and the manner by which Commander Bucher's story and the story of the USS Pueblo could be presented to this court. We obviously anticipated the situation that we find ourselves in at the present moment. We have discussed this in detail with Commander Bucher.

"In view of your warning, Commander Bucher persists in his desire to fully and completely tell this court of inquiry the details of the 23rd of January and the events subsequent thereto. Based on that, Commander Bucher, with the court's permission, requests that he be permitted to testify, and complete this phase of the story. Commander Bucher, am I correctly reciting your wishes in this matter? And do I correctly recite that you have been adequately and fully apprised of all your legal rights which include the right to remain silent on this portion?"

Commander Bucher answered in the affirmative, Adm. Moorer said.

2. "The second point I would like to emphasize," Adm. Moorer continued, "is that a court of inquiry must begin with a blank record. Newspaper accounts, rumors, second-hand reports or pre-judgments cannot be considered. The official record of the Pueblo's capture and the treatment of her crew must come from testimony and evidence presented to this court of inquiry. For the court, what has happened and will appear in public accounts simply does not exist."

3. The CNO put his third point in this manner: "Whether the Navy—or anyone in the Navy—was pleased or displeased with Commander Bucher's testimony could have nothing whatever to do with that warning. I realize I am 'preaching to the choir' when I tell you (the Bar Association) that. However, the requirement to warn Commander Bucher is obviously not so well understood by some."

Adm. Moorer said: "Ladies and Gentlemen—I am deeply troubled—the Navy is deeply troubled—that what was a routine and totally correct legal procedure has been widely misinterpreted."

Continuing, Adm. Moorer noted that "as chief of naval operations—I intend to ensure—and the court itself will ensure—that Commander Bucher's rights—as well as all others appearing before the court—are fully protected.

"Possibly," he said, "there will be similar warnings concerning self-incrimination as additional witnesses testify. The point to keep in mind is that the Navy is searching for facts —not scapegoats . . ."

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Barry J. Shillito was sworn in February 1 as the Assistant Secretary of Defense for Installations and Logistics. The nomination was made Jan. 22 by Secretary of Defense Melvin R. Laird on behalf of President Nixon.

Mr. Shillito had been in the post of Assistant Secretary of the Navy for Installations and Logistics since April, 1968. Prior to that he was president of the Logistics Institute and from 1949 to 1954 was with the Air Materiel Command at Wright-Patterson AFB, Ohio.

The 48-year old veteran received his B.S. degree from the University of Dayton in 1949, having returned to complete his education after serving as a pilot in the Army Air Corps during World War II.

Mr. and Mrs. Shillito have five children and reside in Sumner, Md.

He succeeds Thomas D. Morris who will become a corporate vice president and group executive of Litton Industries.

BARRY J. SHILLITO

# Prayer Breakfast Wins Praise of President Nixon

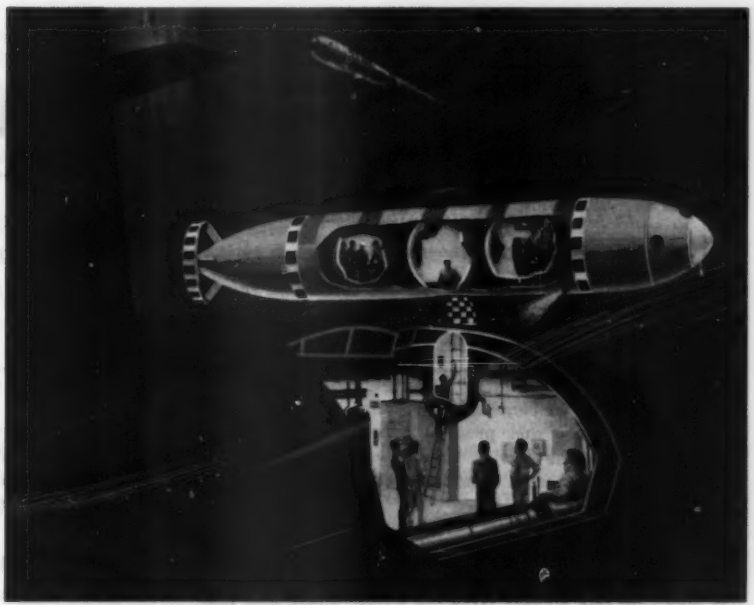
(Continued from Page 1)

a sense of the continuity of history which brings us together from the beginning to now. You have told us in a very simple and eloquent way that, great as the problems which now confront us, with faith, faith in Our Lord, faith in the ideals of our country, and also with a deep dedication to what our role is in this nation and the world, we are going to be able to make these next years great years for this nation and great years for the world.

"I believe that and it is to that end that we dedicate ourselves today. That objective transcends all partisan considerations. I am proud to stand here today in the presence of those who, by your being here, indicate that you have not lost faith in this nation. You have not lost faith in the religious background that has sustained us.

"As a matter of fact," President Nixon continued, "we are entering a period when, sustained by that faith, we will be able to meet the challenge which is ours — a challenge which comes to very few people in the history of man. It is America's now. Whether we succeed or we fail will depend or determine whether peace and freedom survive on this world.

"We will meet the challenge. We will meet it because we are going to devote every hour of the day to seeing that we meet it properly. But we will meet it also because we will be sustained and inspired by the prayers of millions of people across this world. Those prayers do mean something. Through the medium of these words I want to thank the people of this nation, the people of this world who are praying for us. We trust that we can be worthy of your prayers and worthy of your faith."



**FOR DEEP RESCUE—Artist's concept of the Navy's prototype deep submergence rescue vehicle (DSRV). The submersible is under construction by Lockheed Missiles and Space Company. It is designed to rescue up to 24 men at a time from stricken submarines. When transferring personnel the DSRV mates with the escape hatch of the downed submarine. The DSRV will be capable of operating to depths of 3,500 feet or greater.**

## Special VA Dividend Rumor Is Just That

The Veterans Administration says there is no special dividend being paid on World War II G.I. insurance policies. VA officials said many veterans who had World War II policies and let them lapse have been cruelly deceived by a widespread rumor that such a dividend would be paid.

VA officials are concerned, as the rumor spreads, that many World War II veterans still may entertain the false hope that they are in for an insurance dividend windfall.

They are not.

According to the rumor which has swept the nation, Congress recently passed legislation authorizing payment of 50 cents per month for each $1,000 of World War II G.I. insurance carried.

The fact is, VA officials emphasize, Congress has passed no such law. Moreover, insurance dividends paid by VA are the result of savings and earnings on G.I. insurance trust funds and not the result of Congressional legislation.

A 1969 dividend will be paid . . . but only to those 185,000 World War I veterans and 4,100,000 World War II veterans who still have G.I. insurance policies in force. No application for this dividend is necessary since it will be paid automatically on the anniversary date of the policy.

## Annual Defense Posture Statement

# THE SOVIET UNION

*In his Annual Posture Statement dated January 15, 1969, outgoing Secretary of Defense Clark M. Clifford assessed the international situation as it bears on U.S. military policies and programs.*

*Below are excerpts from the section on the U.S.S.R. of "The 1970 Defense Budget and Defense Program for Fiscal Years 1970-74."*

During 1968, as we continued our policy of seeking both adequate deterrence and prudent detente in our overall relationship with the Soviet Union, we were confronted with two dramatic and seemingly contradictory Soviet actions:

- In June, the Soviets announced their willingness to enter into talks with us on strategic arms limitations.
- But only two months later the Soviet Army was sent into Czechoslovakia. Shortly after the invasion, authoritative Soviet statements asserted the right for Moscow to determine when it may intervene by force anywhere in the "socialist commonwealth" to preserve its own version of Communist political and economic orthodoxy.

### Political Control vs Detente

The Soviets were undoubtedly aware that their invasion of Czechoslovakia would be costly for their relations with the West. Yet the risk of losing political and ideological control over Czechoslovakia and, as they seem to have seen it, endangering the political-military status quo forced upon Eastern Europe by Soviet forces in the aftermath of World War II, apparently outweighed any loss of opportunities for detente with the West.

Since August the Soviets have appeared anxious to reassure the West that their intentions had been only to restore the status quo, and that their actions did not presage a new round of Soviet expansionism. Even if this is true, however, and if the Soviets do not mean to challenge the Western Alliance, their invasion of Czechoslovakia can scarcely be condoned or dismissed. It must leave us less certain that the U.S.S.R. is prepared to behave as a mature Great Power in preserving the common peace.

**". . . we must be ever cautious in assessing Soviet intentions. . . ."**

### Shared Interest in Arms Limitation

While we must be ever cautious in assessing Soviet intentions, a tempered view of the Soviet Union must include a recognition of the long-term need to find areas of shared interest and common understanding. This is especially true at the strategic level, where the long-term dangers transcend the momentary fluctuations of our political relations.

**"The pressures on Soviet decision-makers make us reasonably confident that their expressed interest in strategic arms talks is genuine."**

For their part, the Soviets have affirmed their interest in the strategic arms talks and have continued to support the Nuclear Non-Proliferation Treaty. I believe we should move cautiously forward with talks on a strategic arms limitations in the hope that a basis for agreement with the Soviets may emerge that will reduce the threat to all mankind of a nuclear holocaust. I further believe it is in our interest to obtain early ratification of the NPT.

The pressures on Soviet decision-makers make us reasonably confident that their expressed interest in strategic arms talks is genuine. For the Soviets even to attempt to keep pace in a renewed strategic arms race of large proportions would be enormously costly for them in financial terms, and it would divert badly needed resources from the civilian sector of the economy.

Additional strains on Soviet defense allocations were created by the decision in recent years substantially to expand and improve the Soviet navy, in particular its limited-intervention and show-of-force capabilities; and by the costs of continuing military assistance to North Vietnam and rearming the Arabs. Further costs were incurred in the Czech invasion, which required a partial mobilization of Soviet reserves in the western districts.

**"... in the Mediterranean ... the US. Sixth Fleet clearly remains the most potent naval force."**

In the Soviet strategic posture, the large increase in deployments of hardened, land-based ICBMs has been the most significant development of the past year; we project that by the end of 1969 they will have deployed over 1,000 intercontinental ballistic missiles. This advance represents the coming to fruition of a long-term program, however, and by itself probably does not represent any shift in over-all policy.

Soviet strategic aircraft and strategic missile-firing submarine capabilities continue to lag considerably behind ours. It is also noteworthy that during 1968 work on the only positively identified Soviet ABM complex, that at Moscow, slowed down—apparently because of technical difficulties, rising costs, and system inefficiencies. However, ABM research and development is still at a high level of activity.

### In the Mediterranean

In the Mediterranean basin, the Soviets continue to play a role of selective engagement, support or show-the-flag. The Soviet Mediterranean squadron continues to operate at a higher average level than in 1967, their previous record year, and included the temporary deployment of the helicopter carrier MOSKVA with an ASW capability. In addition, ships from the squadron have been active in the Middle East and North Africa, and the Soviet fleet has made port calls in Algeria, Morocco, and Syria. Soviet naval activity has also increased sharply in the Persian Gulf-Indian Ocean area.

However, in the Mediterranean and its contiguous waters, the U.S. Sixth Fleet clearly remains the most potent naval force. NATO is alert to the new situation. Together with our allies, we will take whatever measures are necessary to ensure that our own capability to counter the Soviet squadron remains unimpaired.

### In Developing Countries and the Middle East

In developing countries, the provision of foreign aid and military assistance has continued to serve Soviet political objectives. In spite of the continued arms flow into the United Arab Republic, Syria, and Iraq, however, the U.S.S.R. recently put these countries on notice that it supports a peaceful resolution of hostilities with Israel. It can be hoped that recent Soviet diplomatic initiatives evidence a genuine interest in encouraging such a solution.

In practice, the U.S.S.R. has avoided identification with Castroite guerrilla movements in the Latin American republics, and has not openly supported their emergence in Africa. But it is far too soon to predict that the Soviets will soon cease to fish in troubled waters or end their support for the concept of "wars of national liberation."

**"... it is far too soon to predict that the Soviets will soon cease to fish in troubled waters..."**

Their restraint, moreover, has not kept the Soviets from political opportunism in arms sales to the less-developed countries. Soviet arms have exacerbated tensions in the Middle East, fomented an arms race in North Africa, and increased unrest in the Horn of Africa. Soviet arms have flowed into the inventories of both sides in the Indian subcontinent, and more recently into Iran. We may expect that military assistance will continue to be a major instrument of Soviet policy throughout this part of the world for many years to come, in spite of the explosive potential for widespread regional conflict which such a policy entails.

# Retiring Secretary Clifford Sends Statement to Congress

Before leaving the Pentagon Jan. 20, former Secretary of Defense Clark M. Clifford sent Congress a statement on the 1970 Defense Budget Program for Fiscal Years 1970-74.

He recognized that neither law nor custom requires an outgoing Secretary of Defense to explain or justify the program and budget proposals for the upcoming fiscal year, but that the tradition of an "Annual Posture Statement" by the Secretary of Defense had been firmly established.

Mr. Clifford's 165-page statement covers virtually all facets of the military establishment, including a section on military compensation.

In this section he noted that the Uniformed Services Pay Act of 1965 requires the President to conduct, not less than every four years, "a complete review of the principles and concepts of military compensation for members of the uniformed services."

Since the major part of the first quadrennial review under this law has been completed, Mr. Clifford said, "we have now concluded that major changes are needed in the compensation system for 'career' personnel (i.e., all officers and warrant officers, and enlisted personnel in grade E-6 and higher, as well as career committed personnel in grades E-4 and E-5).

"We believe," he continued, "that the basic pay and allowances system should be retained for other enlisted personnel because they have found that it meets their needs better than any alternative."

Mr. Clifford said he realized circumstances have changed significantly since the years in which the present compensation system was established, and gave as examples:

1. The existing system evolved in the context of providing career military personnel with government quarters and subsistence in kind. In many instances this is no longer possible, and the cash allowances provided in their stead may not compensate them equitably.

2. The existing retirement system operates on the premise that men leaving active service are also leaving the work force. Actually, about 97 per cent of the military personnel enter civilian employment after their "retirement"; they are changing careers rather than retiring from the labor force.

The former Secretary of Defense also mentioned "defects in the existing compensation system, apart from changes in conditions of service."

He said that, since that system "is extremely complex," many career personnel tend to underestimate the full value of their compensation, a factor that almost certainly reduces retention rates below what they otherwise would be.

The system also contains a number of inequities, Mr. Clifford said, such as dissimilar allowances for men of the same rank and responsibility because of family status, and the practice of taking credit for an imputed amount for retirement benefits if he leaves the service before he is eligible for retirement.

He also sees the present system lacking a clearly defined standard for setting and adjusting military pay levels so they can be kept comparable to civilian salary levels.

Mr. Clifford said, to correct these deficiencies three major changes in the compensation of active career personnel would be required.

1. Combine into a single salary the five elements of the existing compensation structure that Congress has defined as gross pay (basic pay, quarters allowances, subsistence allowances, the federal income tax advantage realized on these two non-taxable allowances, and the imputed retirement contribution of 6.5 per cent of basic pay) and place the salary payable to career members of the uniformed services on exactly the same basis as the salary payable to federal civilian employees.

2. Provide for payment of the same salary to all career members of the same pay grade and longevity step, thereby eliminating the influence of family size on salaries; and (as is the case with federal civilian employees) require from each career member a contribution out of his salary to his retirement fund, returnable to him should he leave the service prior to retirement.

3. Establish a standard for assuring comparability between the salaries of career military personnel and those available in the civilian sector for the same level of work.

Mr. Clifford said Defense Department officials have concluded that the retirement compensation system should be revised to reflect that many of the retiring personnel are changing careers rather than leaving the labor force.

## VA Briefs Troops During Vietnam Tours

More than one-half million veterans have received on-the-spot briefings in Vietnam in the two years the Veterans Administration has put contact representatives in that area.

The Veterans Administration reported that the first VA representatives arrived at Long Binh in January 1967 to begin giving Army troops unprecedented battlefield orientation on benefits that would be available to them as veterans.

Since that time, more than 567,000 American servicemen have been briefed and nearly 64,000 have received in-depth personal interviews on such veteran programs as education and training, home loans, hospital and medical care, and compensation and pension benefits.

In the past two years, 33 VA contact representatives, including 10 now at seven military bases, have served tours in Vietnam. Two were killed while performing their duties.

During the first month of VA's battlefield operation, representatives reached only a few hundred servicemen. An average of 40,000 in Vietnam are now being briefed each month.

Last November VA created a special Vietnam service medal which is awarded to those representatives who complete a six-month tour of duty in Vietnam.

DR. ROBERT A. FROSCH

Dr. Frosch, 40, is to continue as Assistant Secretary of the Navy (Research and Development), in which post he has served since July 1, 1966. Born in the Bronx, New York, he was graduated from Columbia College of Columbia University. Dr. Frosch holds an M.S. and Ph.D. in theoretical Physics. He joined the Department of Defense in 1963 as Director of Nuclear Test Detection, Advanced Research Projects Agency.

## New Medal Authorized

In one of his last acts in office, President Johnson signed an Executive Order Jan. 16 authorizing a new medal for those who have distinguished themselves by outstanding meritorious achievements or service.

Designated as the Meritorious Service Medal, it would rank between the Legion of Merit and the Service Commendation Medal, as a non-combat award.

A White House statement said the need for the MSM has become apparent within the military services in the past few years. Before its adoption, only the Legion of Merit was available to those members of the services credited with meritorious achievement or outstanding service.

# Pentagon Sends Congress Bill For $2.4 Billion

A Military Construction Authorization Bill for fiscal year 1970 totaling $2,474,014,000 was submitted to Congress in mid-January. It requests new authorization in support of the military services, the Defense agencies, and the Reserve components.

The projects for which authorization has been requested are located at 288 military installations in the United States, and at overseas bases in the Caribbean, Europe, Pacific Islands, Japan and Korea.

The Defense Department told Congress the primary objectives of the proposed construction is to strengthen and improve the combat readiness and capabilities of military land, sea and air forces, wherever they may be stationed. It also will provide them with the modern facilities required to support the advanced weapons and defensive systems with which they are equipped.

This fiscal year 1970 construction authorization program contains $601.1 million for construction of facilities in support of the Sentinel Anti-Ballistic Missile system on which a deployment decision was announced in September of 1967.

COMMANDERS DIGEST

THIS PUBLICATION CONTAINS OFFICIAL INFORMATION, NEWS AND POLICY, DIRECT FROM WASHINGTON AUTHORIZED SOURCES.

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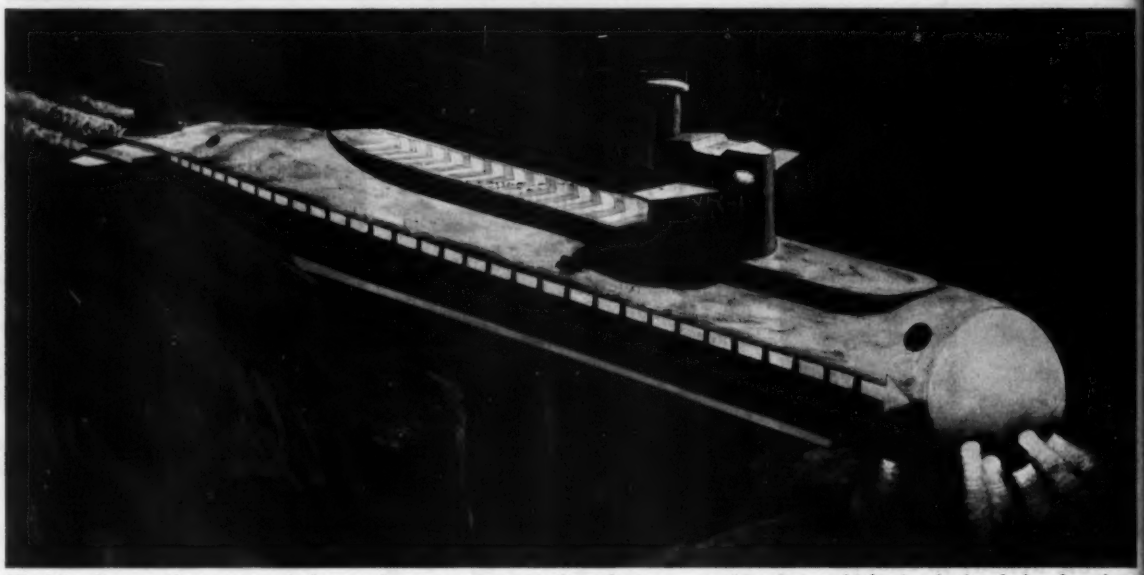
CHARLES A. BOWSHER

Mr. Bowsher, who has served as Assistant Secretary of the Navy (Financial Management) since December 1967, will continue in that post. Born in Elkhart, Indiana, he received his B.S. degree from the University of Illinois and his M.B.A. degree from the University of Chicago. He was licensed as a CPA in the State of Illinois. Mr. Bowsher, 37, served in the Army as an enlisted man from November 1953 to September 1955.

## Hanoi 'Proof' Inadequate

Viet Cong propaganda experts at Paris, whose job is, among other things, to present to the world material proof of U.S. "atrocities" in Vietnam, are not getting that proof from their counterparts in the field, according to captured documents.

The response to Viet Cong appeals to all party committees in South Vietnam for "documents, pictures, witnesses, . . . petitions from holy associations, . . . and the victims themselves . . . which illustrate the crimes perpetrated by the U. S. imperialists" has been totally inadequate, even though Viet Cong directives are specific about the type of evidence required by their International Information Office at Paris.



World's first nuclear-powered deep submergence research and ocean engineering vehicle is depicted in drawing.

# Caterpillar Executive Named ASD for M&RA

Secretary of Defense Melvin R. Laird announced Feb. 4, on behalf of President Nixon, the nomination of Roger T. Kelley, vice president for personnel and public affairs of the Caterpillar Tractor Co., Peoria, Ill., to be Assistant Secretary of Defense (Manpower and Reserve Affairs).

Mr. Kelley, who served in both the Atlantic and Pacific as a naval officer during WWII, has been named to succeed former Assistant Secretary Alfred B. Fitt.

In announcing the nomination of Mr. Kelley, who has directed worldwide personnel programs for the 62,000 employes of Caterpillar Tractor Co., Secretary Laird said:

"Mr. Kelley's extensive experience in the personnel field will add significant strength to the over-all supervision of Department of Defense personnel activities affecting our 3.4 million active duty uniformed members of the Armed Forces, 1.3 million civilian employees, and the members of our Reserve Forces.

"It is my intention, as soon as he takes office following Senate confirmation, immediately to assign Mr. Kelley high priority responsibility for decisive action to modernize our military compensation structure. In my view, such action is essential for a number of reasons. These reasons include:

1. Making military compensation more in line with that elsewhere in government;

2. Providing a mechanism which serves, rather than frustrates, force management objectives; and

3. Taking the first step towards reduced reliance on the draft."

Secretary Laird added:

"I am aware that much study has been given to the matter of military compensation during the past two years, but the fact is that no specific proposals have been presented to the Congress for much-needed and overdue military pay reforms.

"In addition to this priority action on military compensation, Deputy Secretary of Defense David Packard and I will direct Mr. Kelley to initiate an imaginative new look at our total use of manpower resources, military and civilian. The objective will be to eliminate any wasteful and inefficient practices and procedures and to devise and implement innovative programs to achieve increased efficiency in the use of our most precious resource, people."

Assistant Secretary-designate Kelley, was born Jan. 14, 1919 in Milwaukee, Wis., and completed his early schooling there. He was graduated from the College of Holy Cross, Worcester, Mass., in 1941 and from the Harvard Graduate School of Business Administration in 1942.

He joined the Navy in 1942 and was separated as a lieutenant in 1946 after service aboard a minesweeper in the Atlantic and after commanding a coastal transport in the Southwest Pacific.

Mr. Kelley, who has held his present position with the Caterpillar Tractor Co., since 1964, earlier served as the company's director of education and training and before that, from 1954--1963, was labor relations manager.

Mr. Kelley is married to the former Mary Gertrude Keogh of Milwaukee. They are the parents of five sons and a daughter.

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